Permissible Foreign Exchange to Exporters While on Foreign Visits

1226. DR. RANBIR SINGH: Will the Minister of FINANCE be pleased to state:

(a) the amount of money in foreign exchange authorised to an exporter while going abroad and whether that money is considered sufficient to meet the expenditure in a foreign country;

(b) if not, in what manner Delhi based exporters who went abroad during the last three years managed themselves whether they carried foreign exchange clandestinely with them or they received money abroad; and

(c) whether there is any proposal to carry out investigation into such operation to unearth the Hawala business, if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR. DEBI PROSAD PAL): (a) The Authorised Dealers can release foreign exchange upto US$ 500 to chief/senior executives per day and US$ 350 to others respectively per day upto 45 days. Release of foreign exchange in excess of the above limits can now (i.e. from July 1995) be considered by the Authorised Dealers if they are satisfied about the bonafides of the request and the need for release of foreign exchange in excess of the prescribed scales. The above quantum of foreign exchange has been considered adequate in connection with travel abroad by exporters. Government have not come across any incidence where the facility of release of foreign exchange for business visits abroad has been misused by the Delhi based exporters.

(b) and (c) Do not arise.

Proposal of BIFR for Revival of NTC Mills

1227. SHRI SUSHIL KUMAR SAMBHAJIRAO SHINDE: SHRIMATI VEENA VERMA: Will the Minister of TEXTILES be pleased to state:

(a) whether BIFR had sought responses to its proposals for revival of sick NTC mills under the State NTC units in different States including Gujarat, Madhya Pradesh, Uttar Pradesh, Orissa and West Bengal; and

(b) if so, what specific proposals were made by BIFR for revival of the sick NTC mills in these States and what was the response from the State unit thereto?

THE MINISTER OF LABOUR AND THE MINISTER OF TEXTILES (SHRI G. VENKAT SWAMY): (a) and (b) Eight Subsidiary Corporations of National Textile Corporation (NTC) have been referred to the Board for Industrial and Financial Reconstruction (BIFR) which has declared them to be sick industrial companies. Rehabilitation package for revival of the NTC mills was finalised by the Government and forwarded to the Board for Industrial and Financial Reconstruction (BIFR) for consideration. Though the Government has kept in abeyance the recovery of loan and interest due from these subsidiaries without any cut off date, the BIFR has issued show cause notice for winding up of the four subsidiaries namely NTC(MP), NTC (GUJ). NTC(UP) and NTC(WBAB&O) on the ground that net worth of these subsidiaries would not become positive within a period of 10 years. The matter regarding write off/waiver of outstanding Government loans and interest in respect of these four subsidiaries is presently under consideration of the Government.

In respect of the remaining four subsidiaries namely NTC (APKK&M), NTC(SM) and NTC(DP&R), BIFR is agreeable to circulate a draft scheme after getting a revised report from the concerned operating Agencies. Further, the Operating Agency has already submitted revised proposals and in the case of NTC(DP&R) Ltd. the draft scheme has since been published.